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ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS

June 1997

(All figures in text below are in seasonally adjusted current dollars)

• **NEW ORDERS** New orders for manufactured durable goods in June increased \$4.1 billion or 2.3 percent to \$180.6 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 0.4 percent May decrease and is the second increase in the last three months. Excluding transportation, new orders increased 0.8 percent, also the second increase in the last three months. Year to date, new orders are 5.8 percent above the same period a year ago; new orders for the second quarter are 1.1 percent above the first quarter.

Transportation equipment, up two of the last three months, had the largest increase, \$2.9 billion or 7.5 percent to \$42.3 billion, due to aircraft and parts and motor vehicles and parts. This follows a 0.9 percent May decrease. Primary metals, up seven of the last eight months, increased \$0.1 billion or 0.4 percent to \$15.6 billion, following a 2.4 percent May decrease. Instruments and related products, up two of the last three months, also increased. Industrial machinery and equipment, down three of the last four months, decreased \$0.2 billion or 0.6 percent to \$32.6 billion. This follows a 3.1 percent May decrease. Electronic and other electrical equipment, down three of the last four months, decreased slightly to \$30.9 billion; decreases led by electronic components more than offset increases led by communication equipment. This follows a 10.7 percent May increase.

• **SHIPMENTS** of durable goods in June, up five of the last six months, increased \$3.2 billion or 1.8 percent to \$179.1 billion, following a 1.5 percent May decrease. Year to date, shipments are 7.2 percent above the same period a year ago; shipments for the second quarter are 2.1 percent above the first quarter.

Electronic and other electrical equipment, up four of the last five months, had the largest increase, \$1.0 billion or 3.3 percent to \$29.7 billion. This follows a 0.9 percent May increase. Transportation equipment, up five of the last six months, increased \$0.7 billion or 1.6 percent to \$41.7 billion; increases in motor vehicles and parts and railroad and other equipment more than offset an aircraft and parts decline. This follows a 3.2 percent May decrease. Industrial machinery and equipment, up four of the last five months, increased \$0.7 billion or 2.0 percent to \$33.7 billion, following a 0.9 percent May decrease. Primary metals, up two of the last three months, increased \$0.2 billion or 1.5 percent to \$15.4 billion, following a 1.7 percent May decrease.

• **UNFILLED ORDERS** Unfilled orders for durable goods in June, up for the second consecutive month, increased \$1.5 billion or 0.3 percent to \$498.8 billion. This follows a 0.1 percent May increase.

Electronic and other electrical equipment had the largest increase, \$1.2 billion or 2.2 percent to \$55.1 billion, following a 4.1 percent May increase. Transportation equipment increased \$0.6 billion or 0.2 percent to \$251.9 billion; a large increase in aircraft and parts more than offset a decline in railroad and other transportation equipment. This follows a 0.7 percent May decrease. Primary metals, up for the sixth consecutive month, increased \$0.2 billion or 0.7 percent to \$31.0 billion, following a 1.2 percent May increase. Industrial machinery and equipment, down for the second consecutive month, decreased \$1.1 billion or 1.5 percent to \$73.0 billion, following a 0.3 percent May decrease.

• **CAPITAL GOODS INDUSTRIES, DEFENSE** New orders in June increased \$0.5 billion or 9.9 percent to \$6.1 billion, the second increase in the last three months. This follows a 12.0 percent May decrease. Shipments, up two of the last three months, increased \$0.4 billion or 6.5 percent to \$6.7 billion, following a 1.5 percent May decrease. Unfilled orders, down for the sixth consecutive month, decreased \$0.7 billion or 0.6 percent to \$107.7 billion, following a 0.7 percent May decrease.

• **CAPITAL GOODS INDUSTRIES, NONDEFENSE** New orders in June, up for the second consecutive month, increased \$2.4 billion or 5.4 percent to \$46.6 billion, following a 1.1 percent May increase. Shipments, up four of the last five months, increased \$0.3 billion or 0.6 percent to \$45.8 billion. This follows a 0.3 percent May decrease. Unfilled orders, up for the first month since February, increased \$0.8 billion or 0.3 percent to \$252.6 billion, following a 0.5 percent May decrease. Excluding aircraft and parts, new orders increased \$0.7 billion or 1.7 percent to \$39.0 billion, also the first increase since February; shipments increased \$1.0 billion or 2.6 percent to \$39.5 billion, the seventh increase in the last eight months; and unfilled orders decreased \$0.5 billion or 0.5 percent to \$97.5 billion, the second consecutive monthly decrease.

• **REVISED MAY DATA** Revised seasonally adjusted May figures for all manufacturing industries are: shipments, \$323.4 billion (revised from \$323.5 billion); new orders, \$324.1 billion (revised from \$323.3 billion); unfilled orders, \$522.8 billion (revised from \$522.0 billion); and total inventories, \$443.4 billion (revised from \$443.3 billion).

Our internet site address is: <http://www.census.gov/ftp/pub/indicator/www/m3/index.htm>

This report presents advance information on two key business indicators: durable goods manufacturers' shipments and orders. Revised and more detailed estimates plus nondurable goods and inventory data will be published August 1, 1997. The advance report on durable goods for July is scheduled for August 26, 1997. This report is available on the day of issue through the Department of Commerce's online Economic Bulletin Board (N-8-1) (202-482-3870).

**Table 1. DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS**  
(Millions of dollars)

Item	Seasonally adjusted						Not seasonally adjusted <sup>1</sup>			
	Monthly			Percent Change			Monthly			Percent change June97/96
	June 1997 <sup>2</sup>	May 1997 <sup>2</sup>	Apr. 1997	May- June <sup>2</sup>	Apr.- May <sup>2</sup>	Mar.- Apr.	June 1997 <sup>2</sup>	May 1997 <sup>2</sup>	June 1996	
<b>DURABLE GOODS</b>										
<b>Total :</b>										
Shipments . . . . .	179,061	175,833	178,482	+1.8	-1.5	+1.3	196,088	176,768	182,994	+7.2
New orders . . . . .	180,578	176,480	177,112	+2.3	-0.4	+1.8	193,248	175,358	182,129	+6.1
Unfilled orders . . . . .	498,835	497,318	496,671	+0.3	+0.1	-0.3	497,289	500,129	476,741	+4.3
<b>Excluding defense :</b>										
Shipments . . . . .	172,325	169,511	172,063	+1.7	-1.5	+1.2	188,750	170,667	176,264	+7.1
New orders . . . . .	174,511	170,960	170,841	+2.1	+0.1	+1.1	187,194	171,408	173,687	+7.8
Unfilled orders . . . . .	391,096	388,910	387,461	+0.6	+0.4	-0.3	389,004	390,560	366,001	+6.3
<b>With unfilled orders :</b>										
Shipments . . . . .	146,746	144,514	146,177	+1.5	-1.1	+1.1	161,714	143,301	149,669	+8.0
New orders . . . . .	148,263	145,161	144,807	+2.1	+0.2	+1.7	158,874	141,891	148,804	+6.8
<b>Primary metals :</b>										
Shipments . . . . .	15,382	15,159	15,425	+1.5	-1.7	+1.4	16,215	15,653	14,891	+8.9
New orders . . . . .	15,585	15,527	15,904	+0.4	-2.4	+2.4	15,790	15,542	15,049	+4.9
Unfilled orders . . . . .	31,016	30,813	30,445	+0.7	+1.2	+1.6	31,128	31,553	29,089	+7.0
<b>Industrial machinery and equipment:</b>										
Shipments . . . . .	33,692	33,027	33,323	+2.0	-0.9	+1.9	38,780	32,383	36,489	+6.3
New orders . . . . .	32,612	32,810	33,861	-0.6	-3.1	+3.0	36,782	32,302	35,521	+3.6
Unfilled orders . . . . .	72,968	74,048	74,265	-1.5	-0.3	+0.7	72,145	74,143	71,240	+1.3
<b>Electronic and other electrical equipment :</b>										
Shipments . . . . .	29,679	28,728	28,485	+3.3	+0.9	-3.4	32,496	27,780	29,242	+11.1
New orders . . . . .	30,865	30,868	27,884	0.0	+10.7	-3.2	32,147	29,510	27,587	+16.5
Unfilled orders . . . . .	55,134	53,948	51,808	+2.2	+4.1	-1.1	53,848	54,197	48,205	+11.7
<b>Transportation equipment :</b>										
Shipments . . . . .	41,679	41,003	42,346	+1.6	-3.2	+3.3	45,177	42,703	42,733	+5.7
New orders . . . . .	42,295	39,350	39,717	+7.5	-0.9	+2.8	45,112	39,571	45,488	-0.8
Unfilled orders . . . . .	251,945	251,329	252,982	+0.2	-0.7	-1.0	252,271	252,336	244,341	+3.2
<b>CAPITAL GOODS INDUSTRIES<sup>3</sup></b>										
<b>Total :</b>										
Shipments . . . . .	52,565	51,859	52,079	+1.4	-0.4	+1.7	60,682	49,660	55,692	+9.0
New orders . . . . .	52,703	49,762	50,022	+5.9	-0.5	+1.2	59,330	46,327	56,728	+4.6
Unfilled orders . . . . .	360,387	360,249	362,346	0.0	-0.6	-0.6	360,313	361,665	351,768	+2.4
<b>Nondefense :</b>										
Shipments . . . . .	45,829	45,537	45,660	+0.6	-0.3	+1.6	53,344	43,559	48,962	+8.9
New orders . . . . .	46,636	44,242	43,751	+5.4	+1.1	-1.7	53,276	42,377	48,286	+10.3
Unfilled orders . . . . .	252,648	251,841	253,136	+0.3	-0.5	-0.7	252,028	252,096	241,028	+4.6
<b>Excluding aircraft and parts :</b>										
Shipments . . . . .	39,511	38,522	38,422	+2.6	+0.3	+0.4	45,973	36,881	43,076	+6.7
New orders . . . . .	39,035	38,373	38,570	+1.7	-0.5	-1.5	44,622	36,845	41,783	+6.8
Unfilled orders . . . . .	97,524	98,000	98,149	-0.5	-0.2	+0.2	96,904	98,255	95,089	+1.9
<b>Defense :</b>										
Shipments . . . . .	6,736	6,322	6,419	+6.5	-1.5	+2.4	7,338	6,101	6,730	+9.0
New orders . . . . .	6,067	5,520	6,271	+9.9	-12.0	+27.5	6,054	3,950	8,442	-28.3
Unfilled orders . . . . .	107,739	108,408	109,210	-0.6	-0.7	-0.1	108,285	109,569	110,740	-2.2

(NA) Not available. <sup>1</sup> Revised.<sup>1</sup> Shipments and new orders are the totals for the period and are adjusted for trading-day and calendar-month variations; unfilled orders are as of the end of the period and are not adjusted for trading-day or calendar-month variations.<sup>2</sup> Based on advance sample. Estimates of manufacturers' shipments, inventories, and orders are subject to survey error and revision. One major component of survey error is nonsampling error, which includes errors of coverage, response and nonreporting. Since the survey panel is not a probability sample, estimates of sampling error cannot be calculated. Further details on survey design, methodology, and data limitations are contained in our most recent annual benchmark publication, Current Industrial Reports: M3-1(96), "Manufacturers' Shipments, Inventories, and Orders: 1987-1996."<sup>3</sup> The Capital Goods Industries include Nondefense: ordnance and accessories, steam engines and turbines, internal combustion engines, construction mining and material handling equipment, metalworking machinery, special industry machinery, general industrial machinery, computer and office equipment, refrigeration, heating and service industry machinery, electrical transmission and distribution equipment, electrical industrial apparatus, communication equipment, complete aircraft, missiles, and space vehicles, aircraft missiles, and space vehicle engines and parts, ships and tank components, railroad equipment, and search and navigation equipment.

Defense capital goods include: ordnance, communication equipment, aircraft, missiles, space vehicles, and parts, ships, tanks and tank components, search and navigation equipment.

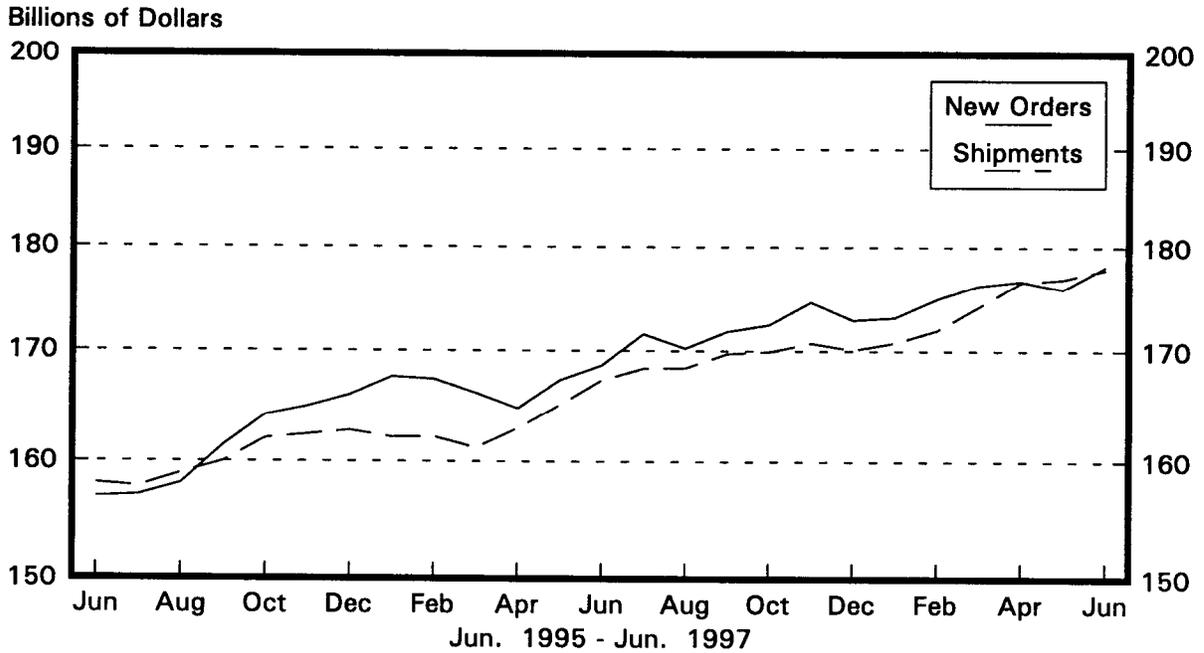
**Table 2. AVERAGE REVISIONS TO PREVIOUSLY PUBLISHED MONTHLY PERCENT CHANGES**  
(Based on seasonally adjusted data)

Industry	Shipments			New Orders			Unfilled Orders		
	Year ago June 1996	June 1992-1996	June 1996- May 1997	Year ago June 1996	June 1992-1996	June 1996- May 1997	Year ago June 1996	June 1992-1996	June 1996- May 1997
Durable goods . . . . .	0.6	0.2	0.2	0.6	0.4	0.4	0.0	0.1	0.1
Primary metals . . . . .	0.4	0.5	0.4	0.5	1.2	0.9	0.0	0.4	0.4
Industrial machinery and equipment . . . . .	1.5	0.5	0.5	1.3	1.0	0.8	0.3	0.4	0.3
Electronic and other electrical equipment . . . . .	0.7	0.3	0.6	2.3	2.0	1.1	0.9	0.8	0.6
Transportation equipment . . . . .	0.9	0.7	0.3	0.1	0.2	1.3	0.2	0.1	0.2
Nondefense capital goods . . . . .	1.3	0.7	0.5	0.9	0.9	0.6	0.1	0.1	0.2
Defense capital goods . . . . .	1.6	0.9	1.1	5.2	2.9	4.9	0.4	0.2	0.3

Note: The revisions are the differences between the month-to-month percent changes of the advance and final estimates. The monthly averages are the simple averages of the differences, without regard to the months specified.

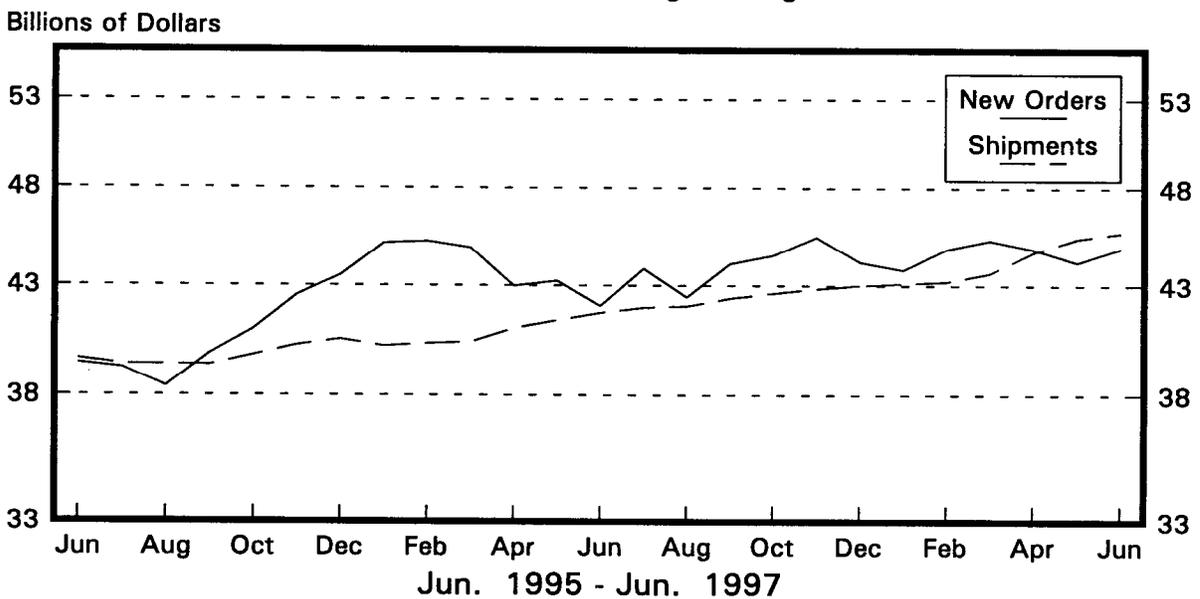
# Total Durable Goods

New Orders and Shipments  
Three Month Moving Averages



# Nondefense Capital Goods

New Orders and Shipments  
Three Month Moving Averages



Note: All Charts based on seasonally adjusted current dollars.